

Message Text

PAGE 01 STATE 259992

17

ORIGIN EA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-07 NSAE-00 PA-02

RSC-01 USIA-15 PRS-01 SP-02 /039 R

DRAFTED BY EA/P:STAFF:PP

APPROVED BY EA/P:AHROSEN

----- 112421

P R 252254Z NOV 74

FM SECSTATE WASHDC

TO USLO PEKING PRIORITY

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

TREASURY

CINCPAC HONOLULU HI

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

USSAGE NAKHON PHANOM

COGARD

XMT AMEMBASSY SUVA

UNCLAS STATE 259992

COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: NOVEMBER 25 EA PRESS SUMMARY

1. CHINA

WP CARRIES PEKING-WRITTEN REPORT (FILED FROM LONDON)
BY OXFORD RESEARCHER NEVILLE MAXWELL ASSERTING THAT
CHINESE SOURCES TOLD HIM PRC HAD RECEIVED THREE
WARNINGS -- IN APRIL, JUNE AND AUGUST -- THAT SOVIET
UNCLASSIFIED

PAGE 02 STATE 259992

ATTACK APPEARED IMMINENT. SOURCE OF WARNINGS NOT
SPECIFIED, BUT MAXWELL SAYS IT IS CLEARLY IMPLIED THAT
THEY CAME FROM US AND DREW ON SATELLITE INTELLIGENCE.
CHINESE SAID TO HAVE TAKEN PRECAUTIONARY MILITARY
MEASURES BUT CONTEXT IN WHICH WARNINGS WERE DISCUSSED

IS THEIR CONFIDENCE THAT CHINA NOW STANDS IN LITTLE IMMEDIATE DANGER OF ATTACK. THEY DESCRIBE SOVIET TROOP CONCENTRATIONS AT BORDERS AS A FEINT, DISGUIISING REAL SOVIET THREAT AGAINST WE.

WP NOTES THAT NO VERIFICATION OF REPORT COULD BE OBTAINED FROM US SOURCES IN WASHINGTON OVER WEEKEND. SEVERAL SUGGESTED THAT THE CHINESE MAY HAVE PUT IT OUT IN EFFORT TO AGGRAVATE US-USSR RELATIONS. SEVERAL ADMINISTRATION SOURCES SAID THERE HAD BEEN NO INFORMATION OF SOVIET FORCE BUILDUP ALONG PRC BORDER IN RECENT MONTHS.

MAXWELL SAYS WESTERN DIPLOMATS IN PEKING PROFESS TO HAVE NO KNOWLEDGE OF ANY WARNING, OR OF ANY US-PRC UNDERSTANDING TO PROVIDE FOR THEM. CHINESE SAY THEY BELIEVE DANGER OF SOVIET ATTACK HAS DIMINISHED FOR TIME BEING, BUT THAT IDEOLOGICAL DIFFERENCES ARE IRRECONCILABLE; THEY ASSERT THAT THEY ARE READY TO NORMALIZE STATE RELATIONS, BUT MAXWELL SEES NO EVIDENCE THEY WILL COMPROMISE TO DO SO. AND THE SUPPOSITION THAT CHINESE MADE AN OVERTURE TO USSR PROPOSING NON-AGGRESSION TREATY IS UNFOUNDED, APPARENTLY BASED ON MISREADING OF RELEVANT TEXT. IN ESSENCE, ALL PRC DID WAS RESTATE POSITION IN BORDER DISPUTE THAT IT HAS HELD SINCE 1969.

MAXWELL REPORTS "IT HAS BEEN STATED AGAIN" THAT CHINESE WILL IN DUE COURSE TRY SOVIET HELICOPTER CREW FOR OFFENSES AGAINST PRC LAW. A WESTERN DIPLOMAT SAID THAT CONSENSUS OF DIPLOMATIC CORPS IS THAT ;THE CHINESE HAVE GOT THEM COLD."

CHITRIB AND NYDN CARRY UPI REPORT OF SECRETARY'S SUNDAY NIGHT TOKYO STOPOVER EN ROUTE TO PEKING TALKS WITH CHINESE LEADERS, INCLUDING CHOU AND CHIAO. JOINED IN TOKYO BY WIFE AND CHILDREN, SECRETARY UNCLASSIFIED

PAGE 03 STATE 259992

SCHEDULED TO HAVE FIVE DAYS OF MEETINGS IN PRC, EXPECTED TO DISCUSS GROWING US-CHINA TRADE AND CULTURAL EXCHANGES, GENERAL VIEWS ON WORLD EVENTS, AND THORNY ISSUE OF TAIWAN. REPORT NOTES THAT CHINESE HAVE TOLD VISITING AMERICAN DELEGATIONS THEY ARE IN NO HURRY TO RESOLVE TAIWAN ISSUE. NYT CARRIES BRIEF REUTER PEKING REPORT THAT DISCUSSIONS LIKELY TO COVER VLADIVOSTOK SUMMIT AND CONCENTRATE ON BROAD INTERNATIONAL RATHER THAN BILATERAL ISSUES. HE WILL ALSO HAVE OPPORTUNITY TO ASSESS VIEWS OF TENG AND CHIAO, WHO HAVE IN LAST FEW MONTHS TAKEN OVER MANY FOREIGN POLICY DUTIES OF AILING CHOU. NYDN CARRIES AP REPORT OF NCNA ANNOUNCEMENT NOV 24 OF CHOU'S MEETING IN HOSPITAL WITH ECONOMIC DELEGATION

OF SIHANOUK'S GRUNK.

AFP TAIPEI REPORTS THAT ON KMT ANNIVERSARY, GIMO SAID CHINESE COMMUNISTS ENGAGED IN DETENTE ONLY BECAUSE THEY FEARED IMPROVED US-USSR RELATIONS AND "THE GROWING STRENGTH OF TAIWAN" (WP). MEANWHILE, WITH EQUAL REALISM, PORTLAND (ORE.) PORT OFFICIALS ANNOUNCED THAT THEY WILL FILE WITH CAB FIRST APPLICATION BY AN AMERICAN PORT AUTHORITY FOR AIRLINE SERVICE "TO MAINLAND CHINA" --- VIA SOUTH KOREA (AP, CHITRIB).

2. JAPAN

CSM NOTES THAT SECSTATE RETURNED TO TOKYO SUNDAY TO BRIEF KIMURA ON SUMMIT TALKS AND ON PRES' SK VISIT. NYT SAYS HE WILL RETURN TO TOKYO ON FRIDAY TO BRIEF GOJ LEADERS ON PRC TALKS.

TOKYO NEWSPAPER QUOTES HIGH GOJ OFFICIALS THAT TANAKA WILL TAKE RESPONSIBILITY FOR CURRENT POLITICAL CRISIS AND ANNOUNCE RESIGNATION 11/25 (CHITRIB; UPI, NYDN). POLITICAL SOURCES SAY OHIRA AND FORMER FINMIN FUKUDA ARE STRONG RIVALS TO REPLACE TANAKA (UPI, NYDN). WP'S OBERDORFER QUOTES "AUTHORITATIVE OFFICIAL SOURCES" THAT ANNOUNCEMENT OF TANAKA RESIGNATION POSTPONED, BUT WILL BE MADE WITHIN 48 HOURS. SCRAMBLE FOR POWER HAS BEGUN AMONG LDP FACTIONS WITH OHIRA (BELIEVED TO BE UNCLASSIFIED

PAGE 04 STATE 259992

TANAKA'S CHOICE) AND FUKUDA AS MAIN CONTENDERS. OBERDORFER SEES COMPROMISE UNLIKELY BECAUSE LINES BETWEEN TWO ARE SO SHARPLY DRAWN. TANAKA EXPECTED TO REMAIN IN OFFICE AS LAME DUCK UNTIL SUCCESSOR CHOSEN, PROBABLY ABOUT DEC. 10. OBERDORFER OPINES THAT NO FUNDAMENTAL CHANGE IN GOJ POLICY ANTICIPATED, THOUGH SUCCESSOR MAY SHIFT "TONE AND EMPHASIS" AT HOME AND ABROAD, SINCE GOJ POLICY IS FORMULATED TO LARGE DEGREE BY CONSENSUS WITH PERMANENT BUREAUCRACY PLAYING GREAT ROLE. SEES IT AS VIRTUALLY CERTAIN THAT LDP WILL RETAIN GOVT DESPITE CONTINUING SLOW DECLINE OF PARLIAMENTARY STRENGTH, BUT LONG-RANGE PARTY FUTURE COULD BE AFFECTED BY EXTENT TO WHICH HARMONY RESTORED BY OUTCOME OF SUCCESSION CONTEST. OPPOSITION PARTIES, PRINCIPALLY SOCIALISTS, COMMUNISTS AND KOMEITO, ARE CONSIDERED TOO BADLY SPLIT AND TOO WEAK TO FORM NEUTRALIST COALITION GOVT THAT IS SOMETIMES PROJECTED FOR FUTURE.

CORRUPTION REMAINS SERIOUS QUESTION, SINCE NEARLY ALL CONSERVATIVE POLITICIANS ARE INVOLVED IN SYSTEM OF "HEAVY POLITICAL SPENDING AND EXTREMELY CLOSE BUSINESS TIES.- OPPOSITION PARTIES INDICATE THAT

THEY WILL CONTINUE ATTACKS AND INVESTIGATIONS NO MATTER WHO SUCCEEDS TANAKA, BUT BY NO MEANS CERTAIN THAT THEY CAN DO THIS SINCE SOME OPPOSITION LAWMAKERS ALSO INVOLVED IN MONEY-POLITICS DEALINGS, ACCORDING TO OBSERVERS.

PRES AND SECSTATE LAST WEEK PRESSED GOJ TO INCREASE FOOD-STORAGE CAPACITY AND TO BUILD UP STOCKS IN VIEW

OF WORLD FOOD SHORTAGE. IN RETURN THEY PROMISED TANAKA AND KIMURA THAT US WOULD NO IMPOSE EXPORT CONTROLS ON FARM PRODUCTS "UNDER FORESEEABLE CIRCUMSTANCES" (JOC).

FUJI BANK REPORTS JAPANESE EXPORTS TO CHINA INCREASED STEEPLY IN FIRST HALF OF 1974, WITH TOTAL UP ALMOST 59 PERCENT AND PRC ENDING WITH 149 MILLION DOL DEFICIT OUT OF TOTAL TRADE VOLUME OF 766 MILLION DOLS. LARGEST UNCLASSIFIED

PAGE 05 STATE 259992

INCREASE CAME FROM JAPANESE EXPORT OF MACHINERY AND MACHINE TOOLS, WITH EMPHASIS ON SHIPS, MINING MACHINERY AND FARM IMPLEMENTS. JAPAN IMPORTED CHINESE CRUDE OIL WORTH 130 MILLION DOLS (CSM). USSR, JAPAN AND TWO US OIL COMPANIES - EL PASO AND OCCIDENTAL - HAVE COMPLETED 400 MILLION DOL AGREEMENT FOR EXPLOITATION OF NATURAL GAS RESERVES IN SIBERIA (CSM).

JAPAN, WORLD'S LARGEST ZINC PRODUCER, STARTS TO BOOST EXPORTS AS DOMESTIC DEMAND CONTINUES TO SLIDE. MOVE COULD BE SIGNIFICANT TO US, WHICH IMPORTS OVER HALF OF ZINC REQUIREMENTS (PEARLSTINE, WSJ).

NUMBER OF JAPANESE JOB-SEEKERS RISES 18-PCT IN YEAR, NOW OUTNUMBERS JOBS AVAILABLE FOR FIRST TIME SINCE JAN 72 ACCORDING TO GOJ LABOR MINISTRY (WSJ).

3. INDOCHINA

UN TURNS ATTENTION MONDAY TO DRIVE BY COALITION OF COMMUNIST, ARAB AND AFRICAN NATIONS TO REPLACE GKR WITH SIHANOUK'S EXILE REGIME. LONG BORET FLEW TO NY IN SURPRISE MOVE CONNECTED WITH UPCOMING VOTE ON CAMBODIAN SEAT. DIPLOMATIC SOURCES SAY THIS MAY INDICATE THAT PP POSITION AT UN HAS ERODED, POSSIBLY BY LOSS OF SOME KEY ARAB VOTES (CHITRIB).

SCHANBERG (NYT) AT PP REPORTS T;AT GKR AND US EMBASSY "EXTREMELY NERVOUS" ABOUT UN DEBATE, WITH VOTE EXPECTED TO BE VERY CLOSE. PRESENT GUESS IS THAT GKR WILL "JUST SQUEAK THROUGH," BUT SITUATION FLUID AND DIPLOMATIC OBSERVERS "DO NOT RULE OUT POSSIBILITY" OF SIHANOUK

WIN. US PUSHING RESOLUTION THAT CALLS ON UN TO TAKE NO ACTION THIS YEAR, BUT TO DO EVERYTHING POSSIBLE TO BRING ABOUT PEACE TALKS BETWEEN TWO KHMER SIDES AND THEN TO CONSIDER THE RESULTS AT NEXT UNGA IN FALL 1975. PROPOSAL SPONSORED BY OVER 20 COUNTRIES, NOTABLY ASIAN STATES LED BY JAPAN AND INDONESIA. SCHANBERG SEES NEGATIVE SIDE EFFECT OF GKR LOBBYING

AS SWITCH OF ISRAEL VOTE FROM PRO-PP TO ABSTENTION
UNCLASSIFIED

PAGE 06 STATE 259992

SINCE IT IS ANNOYED OVER GKR'S RECENT PRO-ARAB MOVES. POINTS OUT THAT GKR ALSO LOST SURE VOTE WHEN SOUTH AFRICA WAS EXPELLED, BUT GAINED JORDAN VOTE THAT WAS RECORDED AS ABSENT LAST YEAR. QUOTES HIGH US OFFICIAL IN PP THAT IF UN SEAT LOST, THERE WILL BE CRISIS OF CONFIDENCE IN CAMBODIA AND "SURELY A GOVERNMENT CRISIS.' SOME US OFFICIALS AND KHMERS PREDICT THAT LOSS OF UN SEAT MIGHT START DOWNWARD SLIDE THAT WOULD END WITH INSURGENT TAKEOVER. BUT OTHER FOREIGN OBSERVERS BELIEVE THAT EVEN WITH UN SEAT LOST, GKR COULD "STAGGER ON" AS LONG AS SUBSTANTIAL US AID POURED IN. SCHANBERG CITES AID VOTE IN CONGRESS AS ANOTHER CRITICAL MATTER FOR CAMBODIA. EXPECTATION IS THAT SIZABLE CUT WILL BE MADE THIS YEAR, AND IF NOT, THEN CERTAINLY NEXT YEAR.

REP ASPIN ASSERTS DOD GIVES 1.8 MILLION DOLS IN COMBAT PAY TO USAF PILOTS FLYING SUPPLIES TO CAMBODIA ALTHOUGH ADMIN CONTENDS THAT NO US TROOPS ENGAGED IN COMBAT THERE. PENTAGON SAYS TERM "COMBAT PAY" INCORRECT, THAT STIPENDS ARE "HOSTILE FIRE PAY" AUTHORIZED BY REGULATIONS. ASPIN QUOTES SECDEF AS HAVING TOLD CONGRESSIONAL COMMITTEE THAT US FORCES IN OR OVER CAMBODIA ARE "EMPLOYED IN NONCOMBAT ACTIVITIES..." (UPI, NYT).

PRG FONMIN NGYUEN THI BINH SAYS IN INTERVIEW PUBLISHED 11/24 THAT ANTI-THIEU DEMONSTRATIONS HAVE COMMON AIM OF FORMING GOVERNMENT FAVORING PEACE (WP, FROM PARIS).

4. KOREA

CHITRIB AND WSJ REPORT NK WEEK-LONG DEBATE IN UNGA MAIN POLITICAL COMMITTEE WITH CALL FOR REMOVAL OF US TROOPS AND UN COMMAND FROM SK. DEBATE EXPECTED TO SPARK STORMY E-W CLASHES.

5. AUSTRALIA

WOOL EXPORTS DECLINE 26 PERCENT IN 73-74 SEASON

UNCLASSIFIED

PAGE 07 STATE 259992

COMPARED TO PREVIOUS YEAR, WITH JAPAN ACCOUNTING FOR TWO-THIRDS OF REDUCTION. INCREASED QUANTITY BOUGHT BY USSR MAKES IT AUSTRALIA'S SECOND-LARGEST CUSTOMER, WITH FRANCE IN THIRD PLACE (JOC).

TWO AUSSIES, CHIEF PILOT OF HK'S CATHAY-PACIFIC AIRLINES AND SYDNEY SHIPPING EXECUTIVE, ARRESTED IN HONOLULU, CHARGED WITH SMUGGLING HEROIN WORTH FOUR MILLION DOLLARS INTO US (REUTER, NYT). ARREST OF TWO AUSSIES CAPS NINE-MONTH INVESTIGATION BY FEDS (AP, SUN).

6. PHILIPPINES

FOREIGN INVESMENT, UP 170 PERCENT IN FIRST SIX MOS OF 1974 OVER SAME PERIOD IN 1973. CHASE MANHATTAN REPORT ATTRIBUTES GROWTH IN PART TO 1972 LIBERALIZATION IN FOREIGN INVESTMENT LAWS, PLUS "MORE STABLE POLITICAL CLIMATE FOLLOWING IMPOSITION OF MARTIAL LAW...", "PREDICTS PHILS' RICH RESOURCES WILL CONTINUE TO ATTRACT OVERSEAS INVESTORS (WSJ).

7. GENERAL

AS FIRST OF SERIES ON US AID, PHINQ'S BARTLETT AND STEELE DO CRITICAL ARTICLE ON US AID HOUSING OVERSEAS. MENTION, INTER ALIA, PROPOSED PROJECT IN THAILAND THAT WOULD HAVE AGGRAVATED BALANCE OF PAYMENTS UNNECESSARILY SINCE THAILAND HAS SUFFICIENT CAPITAL OF ITS OWN, AND "POORLY CONCEIVED" PLAN FOR MIDDLE-CLASS HOUSING IN SK THAT WILL PLACE PRESSURE ON ECONOMY TO GENERATE DOLLARS. THEY DESCRIBE TEN-MILLION DOLLAR HOUSING GUARANTEE GIVEN TO SK IN 1973 THAT RESULTED IN HOUSING BEYOND THE REACH OF MOST KOREANS. PHINQ INVESTIGATION "TURNED UP EVIDENCE INDICATING THAT THERE HAD BEEN SUBSTANTIAL PROFITEERING IN THE PROJECT."

COMMENT AND ANALYSIS

8. PRES' EA TRIP

UNCLASSIFIED

PAGE 08 STATE 259992

LAT'S JAMESON (NOV 22) IN TOKYO SCORES "ONE BIG HIT AND ONE MEDIUM-SIZED MISS" IN VISIT TO JAPAN'S CAPITAL. BIG HIT WAS FORD PROJECTING WHOLLY FAVORABLE PERSONAL IMAGE; THIS IN TURN CONFINED MISS - ON NUKES ISSUE - TO MEDIUM-SIZED PROPORTIONS. CHIEF

OF PM'S OFFICE REMARKED ON TV SHOW THAT HE HAS AMAZED TO WATCH EMPEROR AND FORD ABSORB THEMSELVES IN ALMOST UNBROKEN CONVERSATION FOR TWO HOURS. AVERAGE JAPANESE, WHO SELDOM GET CHANCE TO SEE EMPEROR EXPRESS ANY PERSONAL EMOTION, SAW HIM SMILING NUMEROUS TIMES WHEN GREETING PRES. COMMENTS ABOUNDED ABOUT "MOST POWERFUL MAN IN

THE WORLD" WEARING TROUSERS TOO SHORT AS PART OF MORNING SUIT, OF SEEING PRES WIPE HIS HANDS ON HIS PANTS ON OCCASION, AND GOBBLING UP LAST DROP OF HIS ICE AS EMPEROR WAS ABOUT TO DELIVER BANQUET SPEECH. FORD'S PLUNGE INTO CROWD - A DIVERSION THAT MADE HIM 17 MINUTES LATE FOR MEETING WITH TANAKA - ATTRACTED MASSIVE ATTENTION. PRESS CLUB SPEECH CAME ACROSS WITH FEELING OF SINCERITY. IMAGE OF PRES ENJOYING HIMSELF AND ENJOYING CONTACTS WITH JAPANESE WAS REFRESHING TO AVERAGE JAPANESE AND GOVT OFFICIALS.

STANDING AS SORE THUMB WAS FORD'S SHYING AWAY FROM NUCLEAR ISSUE, WHICH NOT MENTIONED IN JOINT COMMUNIQUE NOR IN HIS SPEECH. AS IF TO MAKE CERTAIN HE WOULD NOT BE FORCED TO ADDRESS HIMSELF TO THIS ISSUE, HE OVERRULED US EMBASSY RECOMMENDATION AND REFUSED TO ALLOW QUESTION-AND-ANSWER SESSION AT PRESS CLUB LUNCHEON; THE FIRST TIME CLUB HELD LUNCHEON WITHOUT QUESTIONS. THAT ISSUE WILL FLARE AGAIN IN FUTURE IS ACCEPTED AS FOREGONE CONCLUSION BY EMBASSY OFFICIALS AS WELL AS MANY JAPANESE.

CDN'S LISAGOR (NOV 20) REPORTS ON PRES' MEETING WITH EMPEROR AND, WITH CEREMONIAL RITUALS BEHIND HIM, INFORMING JAPANESE OFFICIALS THEY CAN COUNT ON 'STABLE SUPPLY' OF US GRAINS. JAPANESE, IN TURN, HINTED THAT THEY MIGHT RELAX PROHIBITION ON IMPORTS OF US BEEF, ACCORDING HAK. LISAGOR SAYS JAPANESE HAVE SHOWN FRIENDLY CURIOSITY ABOUT FORD AFTER STRAINED EXPERIENCES WITH UNCLASSIFIED

PAGE 09 STATE 259992

NIXON. BUT HIS "ALLEGED INEXPERIENCE IN FOREIGN AFFAIRS" LED ONE JAPANESE JOURNALIST TO WRITE THAT HE IS LIKELY TO HAVE DIFFICULTY IN UNDERSTANDING HIS FIRST ENCOUNTER WITH COMPLEX JAPANESE ISSUES.

LAT'S ABRAMSON (NOV 22) NOTES CROWDS OF S KOREANS GREETING MOTORCADE. OBSERVES THAT PRES REACHED SK AT TIME OF INCREASED TENSION AND RISING OUTSIDE CRITICISM OF REGIME. ARRIVAL CAME IN WAKE OF DMZ INCIDENT THAT APPARENTLY CLAIMED LIFE OF ONE US OFFICER WHILE INJURING FIVE OTHER AMERICANS; IT ALSO FOLLOWED ARREST OF AMERICAN PRIEST BY SK POLICE ON US EMBASSY GROUNDS. CITES WH PRESS SECRETARY THAT SK MADE APOLOGY FOR ARREST AND

MATTER WAS CONSIDERED CLOSED.

SAW LEADING TOPIC IN FORD-PARK MEETING TO BE AN ASSESSMENT OF SK'S MIL NEEDS.

9. CHINA

WSJ'S KEATLEY, FROM VLADIVOSTOK, SAYS HAK HOPES IN CHINA TO STRENGTHEN RELATIONSHIP WHICH HE CALLS "A PERMANENT AND ESSENTIAL ELEMENT IN OUR FOREIGN POLICY." FOR ONE THING, SINO-US RAPPROCHMENT HELPS BOTH PARTIES KEEP THE RUSSIANS RELATIVELY CIVIL. OUTSIDERS FIND THIS A TIME OF GREAT UNCERTAINTY WHEN CONSIDERING CHINA AND ITS IMMEDIATE FUTURE. SINO-US TIES HAVE NOT NOTICEABLY IMPROVED AND MAY HAVE REGRESSED; HEALTH OF KEY CHINESE OFFICIALS HAS FAILED, RAISING QUESTIONS ABOUT LEADERSHIP; INTERNAL POLITICAL STRESSES PERSIST DESPITE END TO MORE OBVIOUS QUARRELING, AND FUTURE INSTABILITY REMAINS POSSIBLE. ALTHOUGH ECONOMY HASN'T BEEN HARMED GREATLY BY ALL THIS, CHINESE DOCUMENTS CONCEDE PRODUCTION HAS SUFFERED SOMEWHAT. THUS AMERICANS WILL BE TRYING TO DISCERN WHAT MEN AND POLICIES ARE EMERGING, AND WHAT MAY HAPPEN TO SINO-US RELATIONS AS A RESULT. CITES INFORMED US EXPERT THAT THIS TRIP MAY BE THE MOST CRITICAL YET.

UNCLASSIFIED

PAGE 10 STATE 259992

KEATLEY NOTES THAT SOME CHINESE MAY WANT LESS HOSTILE RELATIONS WITH SOVIETS, AND PERHAPS LESS CORDIAL ONES WITH US; THEY COULD ARGUE - AS DID LIN PIAO - THAT SINO-SOVIET TENSIONS SHOULD BE MINIMIZED. THEY COULD ALSO CLAIM THAT PROPER ATTITUDE TOWARD US IS ONE OF ANTAGONISM, PARTICULARLY AS US HELPS KEEP TAIWAN OUT OF MAINLAND CONTROL. THIS GIVES US EXPERTS DOUBTS ABOUT THE LONGEVITY OF PRC'S PRESENT POLICIES.

ENTER HAK INTO THIS COMPLEX SITUATION. HE'S NOT SURE WHOM HE WILL MEET; MAO AND CHOU MAY BE TOO ILL TO SEE HIM, AND HE DOESN'T KNOW WHAT HE WILL HEAR FROM THOSE WHO DO RECEIVE HIM. WILL US-PRC RELATIONS GET COZIER, REMAIN RATHER ALOOF, OR EVEN DETERIORATE? IN PARTICULAR HAK WORRIES THAT PRC MAY LOOK AT US' OWN POLITICAL AND ECONOMIC PROBLEMS AND CONCLUDE THAT US ISN'T A RELIABLE FRIEND.

THERE'S WORRY PEKING MAY DEMAND PROGRESS ON TAIWAN ISSUE AS PRICE OF IMPROVED DEALINGS. FOR EXAMPLE, RULING MODERATES MAY ARGUE THEY NEED SOMETHING TANGIBLE TO FEND OFF MORE LEFTIST CRITICS. THERE'S ALSO CONCERN THAT CHINA MAY MAKE UP WITH RUSSIANS

SO IT COULD CONCENTRATE FORCES AGAINST TAIWAN SOME DAY IF PEKING GROWS TIRED OF CURRENT POLICY OF PATIENT WAITING. THIS GIVES WASHINGTON A PROBLEM, SINCE THE ADMIN FEELS IT CANNOT AND SHOULD NOT RENEGE

ON ITS DEFENSE TREATY WITH TAIWAN. HOWEVER, THE OPENING TO PEKING IS VITAL PART OF US FOREIGN POLICY: IT PROMOTES ASIAN STABILITY AND HELPS PERSUADE RUSSIAN'S TO TALK ABOUT ARMS CONTROL AND OTHER THINGS - IF ONLY TO PREVENT EVERY RUSSIAN NIGHTMARE A MILITARY ALLIANCE BETWEEN US AND CHINA FROM OCCURRING. HOW HAK WILL BALANCE SUCH CONSIDERATIONS CANNOT BE PREDICTED. BUT HIS VISIT TELL MUCH ABOUT THE TREND OF SINO-US RELATIONS.

FROM WASHINGTON, SUN'S DEAN MILLS SAYS THAT AFTER SOME BOBS AND WEAVES THAT MADE US POLICY-MAKERS NERVOUS, PRC SEEMS TO BE SETTling BACK TO A POSITION THAT WILL NOURISH HAK'S POLICY OF TWO-PRONGED DENTENTE. UNCLASSIFIED

PAGE 11 STATE 259992

DESPITE PROTESTS TO CONTRARY, HIS SUCCESS IN RESHAPING US-PRC RELATIONS HAS DEPENDED ON THAT FEUD. A FEW WEEKS AGO, 'SOME JOURNALISTS AND A FEW OFFICIALS' THOUGHT THAT UNDERPINNING MIGHT BE CRUMBLING. BUT IT NOW APPEARS THAT SINO-SOVIET RELATIONS CONTINUE AS BEFORE, WITH MANY SIGNS OF CONTINUING ANTAGONISM. HAK WILL HAVE NOT ONLY CONTINUED SINO-SOVIET ILL WILL TO GIVE HIM ENCOURAGEMENT; INTERNALLY, PRC TURMOIL HAS ABATED, AND US OFFICIALS HAVE BEEN PLEASED BY CHINESE EFFORTS, PARTICULARLY DURING LAST TWO MONTHS, TO MAINTAIN GOOD RELATIONS. THEY HAVE, FOR EXAMPLE BEEN WORKING HARD TO KEEP MECHANICS OF FLEDGLING EXCHANGE PROGRAM GOING SMOOTHLY; AND DESPITE RUMORS OF DISSATISFACTION OVER US-TAIWAN TIES, CHINESE ARE UNDERSTOOD TO HAVE EXPRESSED GENERAL SATISFACTION WITH PROGRESS OF US-PRC RELATIONS.

HAK IS EXPECTED TO MAKE NO DRAMATIC NEWS IN PEKING. BUT ALMOST CERTAINLY THERE WILL BE STEPS FORWARD IN TRADE, TECHNOLOGY AND CULTURAL EXCHANGES. HE WILL PROBABLY BRING UP THE REQUESTS OF US NEWS ORGANIZATIONS TO BE REPRESENTED IN PEKING. HE IS EXPECTED TO BE RECEIVED BY CHOU, AND PERHAPS MAO (WHO, LIKE CHOU, IS AILING) AS WELL. ANOTHER AUDIENCE WITH MAO WOULD BE PARTICULARLY EMPHATIC SIGN OF CHINESE INTENT TO MAINTAIN GOOD RELATIONS.

CSM SPECIAL FROM JOHN BURNS IN PEKING NOTES DRAMATIC CHANGES SINCE HAK'S LAST VISIT, WHEN NIXON AND CHOU WERE STILL RIDING HIGH. NOW BULK OF DISCUSSIONS WILL BE WITH TRANSITIONAL TEAM HEADED BY TENG HSIAO-PING AND INCLUDING CHIAO KUAN-HUA. HAK WILL ATTEMPT

TO DETERMINE WHETHER CHOU'S DEBILITY HAS SHIFTED POWER BALANCE TO THOSE WHO MIGHT PREFER TOUGHER ATTITUDE, ESPECIALLY OVER TAIWAN. CHINESE WILL WANT TO LEARN ABOUT EFFECT OF CHANGE OF PRESIDENTS ON US

APPROACH TO RELATIONSHIP; ESPECIALLY IF FORD IS ANY MORE LIKELY TO MAKE CONCESSIONS ON TAIWAN THAT THEY DEMAND AS "PRICE OF DIPLOMATIC RECOGNITION."

UNCLASSIFIED

PAGE 12 STATE 259992

BUT PERHAPS EVEN MORE IMPORTANT WILL BE THEIR PROBING OF EACH OTHER ON RELATIONS WITH MOSCOW. CHINESE ARE SUSPICIOUS OVER US-USSR DETENTE. ALTHOUGH ENCOURAGED BY REPORTS OF UNEASE OVER DETENTE IN SOME US QUARTERS, "THEIR SATISFACTION MUST HAVE BEEN OFFSET BY CHAGRIN" AT CHOICE OF VLADIVOSTOK. AND HAK WILL HAVE HIS OWN CONCERNS ABOUT SINO-SOVIET RELATIONS, WILL WANT TO FORM HIS OWN ESTIMATE OF LIKELIHOOD OF MENDING TIES BETWEEN THE TWO WHOSE BREAKUP GAVE HIM HIS ORIGINAL OPENING TO PEKING. "SOME OBSERVERS" VIEW CHINESE LINE THAT THEY NO LONGER CONSIDER SELVES SUBJECT TO SOVIET ATTACK, COUPLED WITH PROFESSED BELIEF THAT REAL THREAT IS TO WE, AS EVIDENCE OF NEW WILLINGNESS TO COMPROMISE WITH KREMLIN -- A MOVE THAT WOULD DEPRIVE WASHINGTON OF ITS ADVANTAGE OF PLAYING ONE OFF AGAINST THE OTHER.

SUN STAFF CORRESPONDENT TOKYO SAYS ONE OF HAK'S PRIMARY PURPOSES IN PEKING IS TO REASSURE PRC THAT NOTHING DONE IN VLADIVOSTOK WAS TO CHINA'S DIS-ADVANTAGE. ANOTHER PURPOSE WILL BE TO TAKE FRESH SOUNDINGS ABOUT THE NATURE OF PRC LEADERSHIP WHEN MAO AND CHOU LEAVE THE SCENE.

ARTICLE ASSESSES PRES' AND HAK'S ROLES DURING EA TRIP. COMMENTS THAT LATTER'S CONTINUING TRAVELS UNDERLINE HIS PRIMARY ROLE IN FOREIGN AFFAIRS DESPITE RITUAL BOWS TO PRES. FOR, DESPITE SATISFACTION OVER RESULTS OF PRES' FIRST MAJOR EXCURSION INTO DIPLOMACY, HE DID NOT COME THROUGH CLEARLY AS NEGOTIATOR IN JAPAN, SK OR USSR. BY CONSENSUS OF THOSE WHO WATCHED HIM IN ACTION AND ARE WILLING TO TALK ABOUT IT, HE APPEARED AS AN OPEN, PERSONABLE LEADER WHO BOWED TO HAK ON QUESTIONS OF IMPORTANT SUBSTANCE. PRES' QUALITIES APPARENTLY WERE MOST IMPORTANT IN HIS RELATIONS WITH BREZHNEV. CITES ONE WH STAFF MEMBER THAT THE TWO WERE MUCH ALIKE IN PERSONALITY, THOUGH BREZHNEV, WITH MORE FOREIGN AFFAIRS EXPERIENCE, APPEARED SHREWDER. WHATEVER PERSONAL CHEMISTRY WAS AT WORK, THEY APPEARED GENUINELY TO LIKE EACH OTHER, ACCORDING WITNESSES. IF THAT PROVES TO BE THE

UNCLASSIFIED

PAGE 13 STATE 259992

CASE, THE RELATIONSHIP COULD BE IMPORTANT IN THE FUTURE WHILE SPECIALISTS, SUCH AS HAK, HANDLE THE TOUGH DETAILS.

IN CONTEXT OF EDIT ENTITLED, "PROGRESS AT VLADIVOSTOK," CSM NOTES US DIPLOMACY NOW SHIFTS TO CHINA. HAVING MET WITH RUSSIANS, IT IS IMPORTANT THAT HAK TOUCH BASE IN PEKING. MORE IS AT STAKE THAN MERELY REASSURING CHINESE ABOUT WASHINGTON'S POLICY VIS-A-VIS USSR. SINO-US RELATIONS APPEAR STALLED, EVEN THOUGH TRADE IS BOOMING AND CULTURAL EXCHANGES ARE RESTORED TO NORMAL, IF LIMITED LEVEL. HAK WILL HAVE TASK OF INTERPRETING NEW PRES TO CHINESE AS WELL AS READING THE UNCERTAIN POLITICAL PICTURE IN PAKING. IT IS IMPERATIVE TO KEEP THE SINO-US AS WELL AS SOVIET-US RELATIONSHIP MOVING, BECAUSE PRC WILL ONE DAY BE SIGNIFICANT ACTOR ON STAGE OF NUCLEAR STRATEGY.

10. MONGOLIA

OWEN LATTIMORE IN LEEDS OBSERVES FIFTIETH ANNIVERSARY OF MPR'S FOUNDING (NYT OP ED). COMMENTS THAT THERE LINGERS IN WASHINGTON THE COLD WAR LEGACY OF A PSEUDO-METTERNICH TYPE OF THINKING, WHICH DESCRIBES MONGOLIA AS "SQUEEZED BETWEEN TWO GIANTS" AND SPECULATES ON USING MONGOLS TO PLAY OFF CHINESE AND RUSSIANS AGAINST EACH OTHER; OR ON POSSIBLE VALUE OF EMBASSY IN ULAN BATOR AS "LISTENING POST." BUT MONGOLIA HAS NEVER, IN FACT, BEEN "SQUEEZED BETWEEN TWO GIANTS"; HER ALIGNMENT WITH RUSSIA IS TRADITIONAL, DATING BACK TO 18TH AND 19TH CENTURIES WHEN RULING CLASS PREFERRED CZAR TO MANCHU EMPEROR. THIS WAS BECAUSE CZARIST STRUCTURE OF AUTHORITY, ARISTOCRACY AND CONTROL OF TRADE BY PRIVILEGE WAS MORE AKIN TO MONGOLIAN FEUDALISM THAN THE MANCHU-CHINESE SYSTEM OF HEAVY BUREAUCRACY, WHICH INTRIGUED AMONG MONGOL PRINCES AND PRIESTS AND WAS CORRUPTLY LINKED WITH SPURIOUS MERCHANTS WHO SUCKED WEALTH OUT OF MONGOLIA.

DOCUMENTS SHOW RUSSIA DID NOT INVENT MONGOL REVOLUTION, BUT ACTED DECISIVELY IN MONGOLIAN UNCLASSIFIED

PAGE 14 STATE 259992

REVOLUTION ONLY WHEN MONGOLIA WAS BEGINNING TO BE USED AS BASE FOR COUNTERREVOLUTIONARY ATTACK ON SIBERIA. MONGOLS ARE EXTREMELY PROUD TO BE FIRST OF ALL "PEOPLE'S REPUBLICS.' THEY ALSO CLAIM PROUDLY TO BE FIRST TO PROVE LENIN'S THEORY THAT A PRE-INDUSTRIAL

COUNTRY, BY RELYING ON INDUSTRIAL PROLETARIAT AND INDUSTRIAL PRODUCTION OF COUNTRY LIKE USSR, CAN 'BYPASS THE STAGE OF CAPITALISM IN REACHING SOCIALISM," AND IN THE PROCESS ACQUIRE ITS OWN INDUSTRIAL BASE.

11. SINO-SOVIET

WP'S JOHN SHARKEY DOES HISTORICAL SURVEY OF SINO-SOVIET FRICTION OVER VLADIVOSTOK AND SIBERIAN MARITIME PROVINCES. NOTES THAT IN HEADY REVOLUTIONARY ATMOSPHERE OF 1920, SOVIET FOREIGN MINISTRY ISSUED KARAKHAN MANIFESTO PROMISING TO RETURN 'ALL THAT WAS RAVENOUSLY TAKEN" FROM CHINA BY THE CZARS; BUT LENIN KILLED MANIFESTO, AND SOVIET GOVERNMENT SAID IT WAS TO BE REGARDED ONLY AS BASIS FOR NEGOTIATIONS. SHARKEY QUOTES KHRUSCHEV ON NATURE OF CHINESE DEMANDS, AND QUOTES MAO TO JAPANESE VISITORS IN 1964 ON CHINESE CLAIM TO SIBERIAN AREAS. INGERSOLL

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 27 JUL 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS SUMMARIES
Control Number: n/a
Copy: SINGLE
Draft Date: 25 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE259992
Document Source: ADS
Document Unique ID: 00
Drafter: EA/P:STAFF:PP
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D740342-0685
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741186/abbrzadm.tel
Line Count: 615
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 12
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 14 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 NOV 2002 by WorrelSW>; APPROVED <14-Nov-2002 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NOVEMBER 25 EA PRESS SUMMARY
TAGS: PFOR, XC, US
To: PEKING INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS
TREASURY
CINCPAC HONOLULU HI
BIEN HOA
CAN THO
DANANG
HONG KONG

NHA TRANG
JEC PARIS
USSAGE NAKHON PHANOM
COGARD
XMT SUVA

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005